Finance Committee Regular Meeting

Minutes of the March 12, 2013

Dodge County Finance Committee Chairman, Dave Frohling called the Finance Committee meeting to order at 8:03 A.M. on Tuesday March 12, 2013 in Room H & I – Auditorium of the Administration Building. Chairman Frohling took roll and the following members were present: Frohling, Borchardt, Adelmeyer, Schaefer and Gohr.

Also present: County Board Chairman Russ Kottke, Kolp, Patti Hilker, James Ketchem, Patricia Ninmann, Blaine Lauersdorf, Tony Marchese, Jane Hooper, Lifke and Ehler's Investment Partners representatives Ken Herdeman and Dawn Tracy.

Julie Kolp, Finance Director certified the public notice given for this meeting complies with the requirements of Wisconsin's open meetings law.

Motion by Borchardt and 2nd by Gohr to allow the chair to deviate from the agenda at his discretion. Motion Carried.

Motion by Schaefer and 2nd by Adelmeyer to approve February 12, 2013 regular committee meeting minutes as presented. Motion Carried.

James Ketchem, Lieutenant (Sheriff's Department) appeared before committee members to request the purchase of ammunition. This is a combination of duty and practice ammunition and has been budgeted. Motion by Borchardt and 2nd by Schaefer to approve the Sheriff's Department's request to purchase ammunition for \$7,900 from Streicher's. Motion Carried.

Ketchum continued with a second request for handgun and rifle ammunition. This ammunition is also for training and duty and has been budgeted. Motion by Schaefer and 2nd by Gohr to approve the Sheriff's Department's request to purchase ammunition for \$7,023 from Streicher's. Motion Carried

Patricia Ninmann submitted a memorandum and appeared before committee members to request a 2012 Budget Carryover of \$192,040 to complete the implementation of New World software; Sheriff Department's consolidated records management system. This software was approved by Resolution 12-47 and is being implemented in phases. Payments are due after successful implementation of each phase and remaining phases will be implemented in 2013. Motion by Borchardt and 2nd by Schaefer to approve carry forward of unexpended 2012 appropriations of \$192,040 to Business Unit (BU) 2001 – Sheriff Administration to complete implementation of New World software. Motion Carried.

Blaine Lauersdorf, Chief Deputy appeared to inform committee members of potential sequestration impacts in reference to Immigration and Customs Enforcement (ICE) boarding. According to a memorandum Lauersdorf received, low security inmates are being released opposed to being housed at detention facilities. This could have a direct impact on Dodge County's inmate numbers which are currently below budget. According to Lauersdorf, there's a constant fluctuation in boarding numbers and the Sheriff's Department will closely monitor the situation. This information was presented for committee awareness.

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Jim Mielke, Administrator presented information regarding potential impact of sequestration cuts on 2010's Taxable General Obligation County Building Bonds. Mielke referred to a statement released by the Office of Management and Budget (OMB). According to the OMB, subsidy payments will be reduced by 8.7%. This will affect Clearview's budgeted interest payment. The County will be evaluating the extraordinary call provision of these bonds. Sequestration cuts may also impact Health and Human Services but no information has been disclosed to date.

Jane Hooper, Clearview Administrator and Tony Marchese, Clearview Fiscal Director appeared before committee members to report on Clearview workshop activities for intellectually disabled residence. Before the construction of the new building, Clearview residence shredded paper for an outside vendor and were compensated for it. The vendor would deliver large quantities of paper products for shredding and a semi-trailer to store shredded material. In the new facility, Clearview no longer has room to store shredding material and/or the trailer so this activity has been discontinued. Hooper is looking for activities for these residences, however there's a requirement that activities cannot be done for Clearview and residences must be reasonable compensated for their time. At February's Management Council, Hooper introduced the idea of shredding papers for County Departments and it was well received. Currently, U.W. Extension, Courts and Information Technology are using the services. Funding for these activities needs to be determined. Kolp suggested using funds in BU 1340 – County Patient – Other Institutions. Discussion will continue at April's Finance Committee meeting.

Ken Herdeman and Dawn Tracy, Ehler's Investment Partners representatives appeared before committee members to report on 2012's investment return. Herdeman reported Dodge County earned \$67,906 more (net investment fees) with Ehler's Investment Partners than if the funds were invested in the Local Government Investment Pool (LGIP). According to Herdeman, the County has minimal risk in these securities since they all have call features with no penalties for calling early. Herdeman continues to works with the Treasurer's office to ensure an adequate cash flow and liquidity of securities.

The County Treasurer provided committee members copies of January 2013's report of working cash account and February 2013's county investment holdings for review. Patti Hilker, Treasurer stated she is evaluating the discontinuation of Invesco Investments (AIMS) due to low returns. She is working with John Corey, Corporation Council to determine if there's binding stipulation with Railroad that prevents the transfer of these funds.

The County Treasurer provided committee members with the Human Service North Project Note Proceeds Maturity Expiration from February 2013's Ehler's Investment Report.

The monthly report on county sales tax remittance was reviewed. February 2013's remittance for December was \$464,668 compared to \$491,041 from the same period in 2013. The fiscal year remittance to date is \$859,798 compared to \$753,317 the same time period in 2012. Kolp reported there is now a link on Dodge County's Webpage for Department of Revenue Sales Tax Distribution information.

Russ Freber, Physical Facilities Director submitted a memorandum and invoice requesting purchase approval of \$8,551.54 for down payment to replace countertops in Intake and Master Control in the Detention Facilities. Freber also requested approval to purchase carpeting for Pod B and library in

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the Detention Facility for \$4,121. Kolp reported both expenditures were budgeted in 2013. Motion by Borchardt and 2nd by Adelmeyer to approve \$8,551 down payment to Modern Marble for countertop replacement in Intake and Master Control of Dodge County's Detention Facility, \$4,121 carpeting replacement from Jack Twohigs Carpet One and \$12,672.54 fund balance transfer from BU 1326 – Jail Improvement Fund to cover both projects. Motion Carried.

Resolution No. 12-78 – Undertake the Removal and Replacement of Exterior Stones and Tuckpointing and Caulking of Joints on the north and west side of the Administration Building, approve and accept bid from Statz Restoration and Engineering Company, Inc for \$158,500 and transfer \$33,500 of Sales and Use Tax Fund balance from BU 1491 – Taxes, Taxes Interest and Penalty to BU 1901 – County Buildings. Motion by Schaefer and 2nd by Gohr to report sufficient funds are available and expenditure of these funds will not impair either the short-term or long-term financial condition of Dodge County. Motion carried.

Julie Kolp, Finance Director presented 2012's pre-closing analysis. Kolp stated the information provided is very preliminary. Some BUs were able return funds to their Fund Balances and other's experienced overdrafts due to unrealized revenue. A preliminary summary included:

- Register of Deeds estimated to return more than budgeted.
- Treasurer's investment revenue estimated to exceed budget.
- Emergency Management's anticipated revenues estimated to be less than budgeted due to delayed tower installation.
- Health and Human Services estimated to return \$2 million to their Fund Balance due to fewer patients at State Institutions.
- Funds received from Aramark for the New World Software system contributed to the increased estimated return of the Sheriff's Department.

Mielke continued with information regarding the financial follow-up presentation for April's County Board meeting. Mielke and Kolp are working on presentation material. Information will be reviewed with Finance Committee at April's meeting and finalized before presentation to County Board at County Board's April meeting.

Kolp continued with discussion regarding Dodge County's proposed Long Term Financial Plan. Mielke requested direction from the committee. Chairman Frohling suggested formulating a Strategic Plan first and then formulating a financial plan to support it. Committee members felt a Strategic Plan should start at Executive Committee level. County Board Kottke suggested a plan that would be easy to follow.

Next regular meeting is scheduled for Tuesday, April 9, 2013 at 8:00 in Room H & I - Auditorium on the 1st floor of the Dodge County Administration Building.

With no other business on the agenda, Chairman Frohling declared the meeting adjourned at 9:45 A.M.

Gerald Adelmeyer,

Secretary